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PROPOSED ATTORNEYS FOR DEBTORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	Chapter 11
	§	
THE LASALLE GROUP, INC.,	§	Case No. 19-31484
	§	
Debtor.	§	
-----	§	
In re:	§	
	§	
WEST HOUSTON MEMORY CARE,	§	Case No. 19-31485
LLC,	§	
	§	
Debtor.	§	
-----	§	
In re:	§	
	§	Case No. 19-31486
CINCO RANCH MEMORY CARE,	§	
LLC,	§	
	§	
Debtor.	§	
-----	§	
In re:	§	
	§	Case No. 19-31488
PEARLAND MEMORY CARE, LLC,	§	
	§	
Debtor.	§	
	§	

----- §
In re: §
§ Case No. 19-31493
RIVERSTONE MEMORY CARE, LLC, §
§
Debtor. §

**DEBTORS' EMERGENCY MOTION FOR ENTRY OF ORDER AUTHORIZING
JOINT ADMINISTRATION OF CHAPTER 11 CASES PURSUANT TO
RULE 1015(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

The LaSalle Group, Inc. and its above-listed affiliates, as debtors and debtors in possession in the above-captioned Chapter 11 cases (collectively, the “Debtors”), file this *Debtors’ Emergency Motion for Entry of an Order Authorizing Joint Administration of Chapter 11 Cases Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure* (the “Motion”) and in support thereof, respectfully state as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is properly before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

2. On May 2, 2019 (the “Petition Date”), the Debtors filed their voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) commencing the above captioned cases (the “Chapter 11 Cases”). The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

3. An official committee of unsecured creditors has yet to be appointed in these Chapter 11 Cases. Further, no trustee or examiner has been requested or appointed in these

Chapter 11 Cases.

4. A more detailed description of the Debtors and their business, the facts and circumstances leading up to the filing of the Debtors' Chapter 11 Cases, and the facts supporting the Motion are set forth in greater detail in the *Declaration of Karen Nicolaou, the Debtors' Chief Restructuring Officer, in Support of the Debtors' Chapter 11 Petitions and First Day Motions* (the "First Day Declaration"), which is being filed concurrently herewith and is incorporated by reference in this Motion.

III. RELIEF REQUESTED

5. Pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 1015-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the "Local Rules"), the Debtors request authorization to jointly administer their Chapter 11 cases for procedural purposes only. A proposed form of order approving the relief requested herein is annexed hereto as **Exhibit A**.

6. Bankruptcy Rule 1015(b) provides, in relevant part, that "[i]f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). The Debtors are "affiliates" as defined in Bankruptcy Code § 101(2), as they have common ownership. Accordingly, this Court is authorized to consolidate these cases for procedural purposes.

7. In addition, Rule 1015-1 of the Local Rules provides in relevant part as follows:

"When a case is filed for or against a debtor related to a debtor with a case pending in the Bankruptcy Court, a party in interest may file a motion for joint administration in each case."

N.D. Tex. L.B.R. 1015-1.

8. Because joint administration of these Chapter 11 Cases will remove the need to prepare, replicate, file, and serve duplicative notices, applications and orders, the Debtors and

their estates will save substantial time and expense. Further, joint administration will relieve the Court of entering duplicative orders and maintaining duplicative files and dockets. The United States Trustee for the Northern District of Texas (the “U.S. Trustee”) and other parties in interest will similarly benefit from joint administration of these Chapter 11 Cases by sparing them the time and effort of reviewing duplicative pleadings and papers.

9. Joint administration will not adversely affect creditors’ rights because this Motion requests only the administrative consolidation of the estates. This Motion does not seek substantive consolidation. As such, each creditor may still file its claim against a particular estate.

10. Accordingly, the Debtors respectfully request that the caption of their cases be modified as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	Chapter 11
	§	
THE LASALLE GROUP, INC., <i>et al.</i>,¹	§	Case No. 19-31484
	§	
Debtors.	§	(Jointly Administered)

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, are set forth in the Order (I) Directing Joint Administration of Chapter 11 Cases, and (II) Granting Related Relief [Docket No. ____] and may also be found on the Debtors’ claims agent’s website at <https://www.donlinrecano.com/lasalle>. The Debtors’ mailing address is 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062.

11. The Debtors also seek the Court’s direction that a notation substantially similar to the following notation be entered on the docket in each of the Debtors’ Chapter 11 Cases to reflect the joint administration of these cases:

An order has been entered in this case directing the procedural consolidation and joint administration of the Chapter 11 Cases of The LaSalle Group, Inc., Cinco Ranch Memory Care, LLC, Pearland Memory Care, LLC, Riverstone Memory Care, LLC, and West Houston Memory Care, LLC. The Debtors' principal offices are located at 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062. The docket in Case No. 19-31484 should be consulted for all matters affecting this case.

12. Based on the foregoing, the Debtors submit that the relief requested is necessary and appropriate, is in the best interests of their estates and creditors, and should be granted in all respects.

13. Courts in this jurisdiction have approved relief similar to the relief requested in this motion. *See, e.g., In re SAS Healthcare, Inc.*, Case No. 19-40401 (Bankr. N.D. Tex. Feb. 6, 2019) (Docket No. 44); *In re Senior Care Centers LLC*, Case No. 18-33967 (Bankr. N.D. Tex. Dec. 7, 2018) (Docket No. 65); *In re Preferred Care, Inc.*, Case No. 17-44642 (Bankr. N.D. Tex. Nov. 22, 2017) (Docket No. 89); *In re Foundation Healthcare, Inc.*, Case No. 17-42571 (Bankr. N.D. Tex. July 11, 2017) (Docket No. 39); *In re HBT JV, LLC*, Case No. 17-40659 (Bankr. N.D. Tex. Feb. 23, 2017) (Docket No. 38); *In re Erickson Incorporated*, Case No. 16-34393 (Bankr. N.D. Tex. Nov. 10, 2016) (Docket No. 39).

IV. NOTICE

14. Notice of this Motion has been provided to: (i) the Office of the United States Trustee; (ii) the Debtors' secured creditors; (iii) any party whose interests are directly affected by this specific pleading; (iv) those persons who have formally appeared and requested notice and service in these proceedings pursuant to Bankruptcy Rules 2002 and 3017; (v) counsel for any official committees appointed by this Court; (vi) the 20 largest unsecured creditors of each of the Debtors; and (vii) all governmental agencies having a regulatory or statutory interest in these cases. No other or further notice need be provided.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: May 2, 2019

CROWE & DUNLEVY, P.C.

By: /s/ Vickie L. Driver

Vickie L. Driver

State Bar No. 24026886

Christina W. Stephenson

State Bar No. 24049535

Christopher M. Staine

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PROPOSED ATTORNEYS FOR DEBTORS

CERTIFICATE OF CONFERENCE

I hereby certify that on April 28, 2019, I spoke with Lisa Lambert with the US Trustee's Office regarding the relief requested herein. Ms. Lambert requested an opportunity to review the specific Motion and comment on the specific relief requested herein. Accordingly, we will continue to work with the US Trustee's Office to address any and all concerns in advance of the hearing on this Motion.

/s/ Vickie L. Driver

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing pleading provided by me to Donlin Recano for service upon the parties listed below via e-mail, facsimile, overnight delivery, and/or courier on this 2nd day of May, 2019. I further certify that Donlin Recano will file a certificate of service with the court verifying service upon the following upon completion.

- (a) The Office of the United States Trustee for the Northern District of Texas
- (c) Counsel to each of the Debtors' pre-petition secured lenders, or if none, the lender itself;
- (d) The 20 largest unsecured creditors for each Debtor regarding which the pleading impacts, unless and until such time as an official committee of unsecured creditors is appointed, if any;
- (e) Counsel to any official committee established in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code, if any;
- (f) The Office of the Attorney General of the State of Texas;
- (g) The United States Attorney's Office for the Northern District of Texas;
- (h) The Internal Revenue Service;
- (i) The Office of Health and Human Services; and
- (j) All parties who have filed a notice of appearance and request for notice or service of all pleadings pursuant to Bankruptcy Rule 2002.

/s/ Vickie L. Driver
Vickie L. Driver

Schedule 1
List of Debtors

#	Debtor Name	Case No.	EIN
1	The LaSalle Group, Inc.	19-31484	0143
2	West Houston Memory Care, LLC	19-31485	2760
3	Cinco Ranch Memory Care, LLC	19-31486	2716
4	Pearland Memory Care, LLC	19-31488	5311
5	Riverstone Memory Care, LLC	19-31493	5407

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	Chapter 11
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THE LASALLE GROUP, INC.,	§	Case No. 19-31484
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Debtor.	§	
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In re:	§	
	§	
WEST HOUSTON MEMORY CARE, LLC,	§	Case No. 19-31485
	§	
Debtor.	§	
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In re:	§	
	§	
CINCO RANCH MEMORY CARE, LLC,	§	Case No. 19-31486
	§	
Debtor.	§	
-----	§	
In re:	§	
	§	
PEARLAND MEMORY CARE, LLC,	§	Case No. 19-31488
	§	
Debtor.	§	
	§	
	§	

-----	§	
In re:	§	
	§	
RIVERSTONE MEMORY CARE, LLC,	§	Case No. 19-31493
	§	
Debtor.	§	

**ORDER DIRECTING JOINT ADMINISTRATION
OF CHAPTER 11 CASES PURSUANT TO RULE 1015(b)
OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

Upon the Motion, dated May 2, 2019 (the “Motion”), of The LaSalle Group, Inc. and its above-named affiliates, as debtors and debtors in possession (collectively, the “Debtors”), for an order pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 1015-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Texas (the “Local Rules”) authorizing joint administration of their Chapter 11 cases, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the Office of the United States Trustee; (ii) the Debtors’ secured creditors; (iii) any party whose interests are directly affected by this specific pleading; (iv) those persons who have formally appeared and requested notice and service in these proceedings pursuant to Bankruptcy Rules 2002 and 3017; (v) counsel for and the members of any official committees appointed by this Court; (vi) the 20 largest unsecured creditors of each of the Debtors; and (vii) all governmental agencies having a regulatory or statutory interest in these cases (collectively, the “Notice Parties”); and due to the urgency of the circumstances surrounding this Motion and the nature of

the requested relief; and a hearing having been held to consider the relief requested in the Motion (the “Hearing”); and upon the *Declaration of Karen Nicolaou, the Debtors’ Chief Restructuring Officer, in Support of the Debtors’ Chapter 11 Petitions and First Day Motions*, filed contemporaneously with the Motion, the record of the Hearing, and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED that:

1. The Motion is granted as set forth herein.
2. The above-captioned Chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by the Court under Case No. 19-31484, the case number for The LaSalle Group, Inc.
3. Nothing contained in this Order shall be deemed or construed as directing or otherwise affecting the substantive consolidation of any of the above-captioned cases.
4. The caption of the jointly administered cases shall read as follows:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	Chapter 11
	§	
THE LASALLE GROUP, INC., et al.,¹	§	Case No. 19-19-31484
	§	
Debtors.	§	(Jointly Administered)

¹ The Debtors in the Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are set forth in the Order (I) Directing Joint Administration of Chapter 11 Cases, and (II) Granting Related Relief [Docket No. ____] and may also be found on the Debtors’ claims agent’s website at <https://www.donlinrecano.com/lasalle>. The Debtors’ mailing address is 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062.

5. A docket entry shall be made in each of the above-captioned cases substantially as follows:

An order has been entered in this case directing the procedural consolidation and joint administration of the Chapter 11 cases of The LaSalle Group, Inc., Cinco Ranch Memory Care, LLC, Pearland Memory Care, LLC, Riverstone Memory Care, LLC, and West Houston Memory Care, LLC. The Debtors' principal offices are located at 545 E. John Carpenter Freeway, Suite 500, Irving, Texas 75062. The docket in Case No. 19-31484 should be consulted for all matters affecting this case.

6. Notwithstanding any relief granted in this Order, the Debtors shall maintain a separate claims register for each of these Chapter 11 cases, separately file schedules of assets and liabilities and statements of financial affairs, and report on an entity by entity basis on a monthly operating report.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

8. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

END OF ORDER

Submitted by:

CROWE & DUNLEVY, P.C.

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